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Opinion | Alberta could lead the energy transition. But Danielle Smith's approach and Ottawa's subsidies are a toxic combination

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Alberta Premier Danielle Smith tours the Saudi Arabia pavilion at the World Petroleum Congress in Calgary in September.

Jeff McIntosh The Canadian Press file photo

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CALGARY—The unmistakable smell of forest fire smoke greeted me as I stepped out of the Calgary International Airport. This had been Canada’s worst year for forest fires, and it is well-established that the tinderbox conditions of the great northern forests are one of the more immediate symptoms of the [climate crisis](#).

As I waited for my ride, I noticed a sign for the Pathways Alliance, a consortium of tarsands producers aiming to continue oil production with the help of carbon capture technology.

Carbon capture is Big Oil’s preferred “climate solution.” But its record is far from promising. It’s heavily subsidized by government — public money that could, frankly, be better used to build solar plants and wind farms. Most carbon-capture projects have missed their targets, blown their budgets, and led to a net increase in emissions. That’s not surprising, given carbon capture is a repurposing of an old technology called “enhanced oil recovery.” Its patina of environmental responsibility masks the fact carbon capture is almost exclusively used to produce more oil.

Which may explain why it was so popular amongst the Canadian delegates — both from industry and government — at the 24th World Petroleum Congress this past September: if the end of oil is nigh, they want the last barrel to come from Alberta.

I was hoping to catch a glimpse of the Rockies on the ride into town, but the smog was too thick. I did see the “Calgary: Be Part of the Energy” sign on the way in, however.

It’s a memory that lingers this week, when the Alberta premier moved to [use a Sovereignty Act](#) to ward off Ottawa’s efforts to green the country’s energy.

Here’s the thing: The disaster of climate change isn’t a hypothetical problem that future generations of clever scientists will be forced to deal with. It is a clear and present danger, as much for the citizens of Calgary and Canada as the entire world.

However much trouble getting off oil might cause Ottawa from a constitutional vantage point, in terms of court battles with Alberta or other provinces, it pales in comparison to the trouble that delaying the energy transition will assuredly cause

future generations of Canadians.

Given the International Energy Agency, among a host of other leading experts, all predict global oil demand will peak within this decade, and that the climate crisis is no longer a future hypothetical but a current reality, the energy transition is really less of an environmental question as it is one of national security. Maintaining our quality of life, keeping the country together, and growing our economy will be impossible if Canada is caught unprepared for the seismic shocks coming our way.

The September congress's big-league speakers — be they the CEOs of Kuwait Oil, Saudi Aramco or ExxonMobil — spent their time preaching to the choir of petroleum evangelists. They mocked a spate of recent reports that suggest peak global oil demand may be met before the end of this decade. Rather than discussing best practices and strategies for the sunseting of the industry, they instead spent most of their time pontificating about the dangers of transitioning too fast, or adhering to arbitrary deadlines set by small groups of activists.

The problem isn't transitioning too fast: it's that the transition wasn't started long ago.

The deadlines aren't arbitrary: they represent a clear red line from which recovery, already doubtful, will likely be impossible.

And these deadlines haven't been set by activists, but by the international community.

And yet delegates were almost obnoxiously bullish on their future prospects. It was not uncommon for them to declare many decades of future growth, even while the engineers and analysts out on the exhibition room floor privately confided their concerns that theirs is a moribund industry dependent on rapidly evaporating public support.

Of all the evangelizers still preaching the gospel of fossil fuels, none were more enthusiastic than Alberta Premier Danielle Smith and her petroleum industry Kool-Aid sipping disciples, Brian Jean and Rebecca Shultz. The trio was on hand to show the government of Alberta remains resolutely in favour of continued oil and gas production, irrespective of whatever inconvenient truths may get in the way.

Alberta's major announcement at the Congress demonstrated this fully: a public subsidy to oil giant Cenovus — a company that made \$6.5 billion in profit last year — so that it could study the use of small modular nuclear reactors (SMRs) to provide energy for the steam-assisted gravity drainage technique of recovering heavy oil from tarsands. The requirement of a constant supply of steam is energy-

intensive. Rather than use the large quantities of natural gas that's available in situ, Cenovus's idea is that nuclear reactors could provide the energy, which they argued could help decarbonize production.

Cenovus reps were quick to point out that SMRs — if they actually work — would only be able to partly decarbonize the production process. By continuing production, they will have an obviously detrimental climatological impact given the continued emissions related to transporting and consuming oil.

If that weren't bad enough, recent research from Stanford and the University of British Columbia indicates SMRs may actually produce more radioactive waste than conventional nuclear reactors.

By subsidizing this effort, the government of Alberta is not so much taking one step forward and two steps back, as it is sprinting backwards and declaring itself leading the race.

It was a little more than ironic that the one person who actually advocated getting on the road to net zero was federal Energy and Natural Resources Minister Jonathan Wilkinson. Ironic not least because he was almost immediately condemned by Smith for advocating precisely what the conference was supposed to be about (The theme was "Energy Transition: The Path to Net Zero"), but also because federal government subsidies to the oil and gas industry are precisely what's retarding Canada's ability to successfully transition off of fossil fuels.

Last year alone, federal subsidies were conservatively estimated to be over \$20 billion, and that's not including the subsidies provided to oil majors for projects they've proposed as part of their carbon emission mitigation strategies.

Unless Canada also wishes to join the other petrostates and become an international pariah, we too have a responsibility to cease oil and gas production. Given that Alberta is both the sunniest and windiest province, it could be ground zero of the energy transition. But Smith has set the development of solar and wind power in Alberta back by a generation if her oil and gas industry-friendly moratorium on new sustainable energy development persists.

Creating unnecessary hurdles for the growing sustainable energy industry — all while subsidizing the unsustainable energy industry — is incompetent. That Smith is actively digging her province a deeper grave by picking pointless and ultimately fruitless fights with the federal government borders on the incomprehensible.

No good will come of this. Unfortunately for Canadians, the Supreme Court has determined the federal government does not have the right to set environmental policies for the benefit of all if it interferes with a given province's right to develop its resources.

Smith said, “This is not an industry that’s winding down. It’s an industry that’s transitioning away from emissions.”

That’s a complete and total fabrication. Emissions are increasing, and governments are using our money to subsidize it.

Opinion articles are based on the author’s interpretations and judgments of facts, data and events. [More details](#)

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